Introduction of short-haul air operation

648. SHRIMATI BIMBA RAIKAR: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government plans to encourage short-haul air operations with 20-30 seater planes on select sectors;

(b) if so, the name of the sectors identified for short-haul operations;

(c) whether Government propose to offer facilities to non-scheduled operator to ensure connectivity with remote areas; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI SHRIPAD YESSO NAIK): (a) to (d) Air Transport Operators are free to operate to any station/sector in India in accordance with the conditions of their permits.

IA losing business to private airlines

649. SHRI RUMANDLA RAAMACHANDRAYYA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Indian Airlines is fast losing out to the private sector airlines as per domestic passenger traffic trends;

(b) if so, whether the gap between IA and private airlines widened last year, with IA registering 41.3 per cent market share and private airlines together gathering 55.4 per cent share of the market;

(c) if so, what are the main reasons for the same;

(d) what steps the Indian Airlines are taking to compete with the private sector; and

(e) whether these private sector airline's are providing better services?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI SHRIPADYESSO NAIK): (a) to (c) During the year 2002, percentage share of Indian airlines *vis-a-vis* scheduled private airlines was 42.5% and 57.4% respectively. The loss of market share of Indian Airlines to the competitors is due mainly to the capacity induction by the private airlines in the last few years, in excess of demand.

(d) and (e) Indian Airlines maintains its services competitively with other operators through introduction of promotional fares and by upgrading and adding value to its product.

The Technical Regulatory achieved by Indian Airlines during the year 2002 has been around 99% and the overall on-time performance was 79.01%. Of the total delays only 1.93% are attributable to Indian Airlines. The remaining delays were beyond the control of Indian Airlines.

Cargo hub project at Nagpur

650. SHRI R. S. GAVAI: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government proposes to shift Cargo hub project from Nagpur to some other place;

(b) if so, the details thereof;

(c) if not, the progress made in setting up a Cargo hub at Nagpur;

(d) whether Government has examined the techno-economic feasibility report submitted by State Government; and

(e) if so, the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI SHRIPAD YESSO NAIK): (a) No Sir.

(b) Does not arise.

(c) to (e) Government of Maharashtra has sent a proposal to develop Nagpur Airport as Multi-modal International Passenger and Cargo Hub. The State Government has carried out preliminary study through Maharashtra State Road Development Corporation (MSRDC). Certain options for development of the facilities of non-metro airports including Nagpur to international standards are being explored which envisage commercial development of city side facilities at airports in joint venture with private sector participation. A comprehensive bill seeking amendment in Airports Authority of India Act 1994 is also under processing in this regard. No final decision has been taken regarding cargo hub at Nagpur.